MIDDLE EAST AND SOUTH ASIA REVIEW

12 JANUARY 1981

American Hostages

Tehran radio, citing the newspaper ENQELAB-E ESLAMI, reports on 11 January that "within the next 2 days the government will send its final reply to America" on the hostage issue. No further mention of this "final reply" has been monitored. Tehran radio reported on a Majlis session on 12 January at which Minister of State for Executive Affairs Behzad Nabavi presented two bills dealing with the "settlement of financial and legal disputes between the Islamic Republic of Iran and the U.S. Government" and with the "return of the wealth of the deceased shah and his close relatives." "The priority nature of both bills was approved," Tehran radio adds. AFP, reporting on this session, states that the Majlis is expected to vote on these bills on 13 January.

On 11 January Iranian Government spokesman Ahmad 'Azizi described the latest U.S. proposals for the release of the hostages and an Algerian statement "to be acceptable on the whole." In an interview with the newspaper KEYHAN cited by AFP, 'Azizi said Iran will respond within a week. The news agency also reported that in another interview 'Azizi told the newspaper ISLAMIC REVOLUTION that Iran has accepted the "Algerian proposals concerning the international guarantees of America instead of the deposit of funds in Algerian banks."

Iran-Iraq Conflict

Bani-Sadr Comments--During a tour of various battlefronts in Khuzestan Province, President Abolhasan Bani-Sadr stressed that the recent Iranian counteroffensive has successfully fulfilled part of his military strategy to weaken the Iraqi forces to the point that "subsequent operations can be carried out more easily." In remarks reported by Tehran radio, the president said the victory shows that the "war can be won" and that despite the high price, it is better than the "price paid for surrendering" to Iraq. Bani-Sadr further defended his military strategy in a telegram to Ayatollah Seyyed Morteza Pasandideh, Ayatollah Ruhollah Khomeyni's elder brother, warning that Iranian military commanders must not be pressured into ill-advised attacks and emphasizing the importance of timing tied to "all domestic and foreign political aspects and possibilities." Declaring that the outcome of the war will determine Iran's future, the president said "we must be patient and tolerant" and not succumb to the "idea of hasty action."

Montazeri Speech--Ayatollah Hoseyn 'Ali Montazeri told a religious gathering in Qom that Iranian Armed Forces commanders and revolution guards corps need to meet to discuss "constructive and important views" by lower-ranking officers and noncommissioned officers on the conduct of the war. According to Tehran radio, Montazeri said a "large number" of such military personnel have complained to him that the present military commanders have not allowed them "to advance or to express their opinions."

Saddam Husayn Battlefront Visit--Iraqi President Saddam Husayn spent 3 days at the various battlefronts, INA reported, following the recent Iranian counteroffensive. The president stressed that the Iraqi armed forces have taught the Iranian "aggressors" severe lessons and will continue to do so until Iran comes to "respect Iraq's will and sovereignty."

Military Situation--Tehran radio reported continued hand-to-hand fighting along the Gilan-e Gharb front and further clashes along the heights of the Kabir Kuh Mountains. Iranian guerrilla groups operated successfully in Ilam, the radio said, planting mines and raiding Iraqi positions. Iraqi artillery continued to shell Ahvaz, Dezful, Shush, Abadan and Susangerd, the radio added, noting also that Iranian Air Force planes downed an Iraqi MiG-23. In a series of communiques reported by Baghdad radio and INA, the Iraqi General Command claimed massive Iranian losses in men and materiel in heavy fighting around Gilan-e Gharb, Sumar, Mehran, Susangerd and Abadan. The communiques noted stepped-up Iraqi air operations with planes and helicopters striking at targets all along the fronts in support of attacking Iraqi troops. INA, citing an interview with an Iraqi field commander, reported that Iraqi forces destroyed an Iranian armored division that tried to penetrate the Iraqi encirclement of Susangerd.

Israel

Hurvitz Resignation--Finance Minister Yiga'el Hurvitz announced his resignation from the cabinet, Tel Aviv IDF radio reported. He informed the Cabinet of his decision before a vote was taken on the 'Etzyoni report. Following the Cabinet meeting, Hurvitz told the radio that Deputy Prime Minister Yiga'el Yadin and Labor Minister Yisra'el Katz had supported him in opposition to the recommendations on teachers' pay. The finance minister neither denied nor confirmed that his resignation is final but said his Rafi faction will decide whether to withdraw from the Likud coalition. The radio later reported that the Rafi faction will recommend withdrawal from the coalition to its own executive.

Although Jerusalem radio reported that the Likud will initiate a bill dissolving the Knesset rather than allow the opposition Labor Alignment to submit such a bill, the radio also revealed that some Likud ministers have urged Prime Minister Menahem Begin to reconsider his decision to hold early elections. The Jerusalem POST reported that although Begin believes the government can maintain a slender parliamentary majority without the Rafi faction, he has decided to call for a June election to bring the government to an "honorable" end in a dignified manner. In the wake of a special 12 January Cabinet meeting, Jerusalem radio reported that most ministers support early Knesset elections. Ministers will speak with their factions, the radio added, and then a further Cabinet meeting will be held. Later Tel Aviv IDF radio reported that if the Likud coalition can muster undertakings of support from six independent Knesset members, the Begin government will try to remain in office until November.

Syria

Khaddam Speech--In an address to a Fatah rally carried by Damascus radio, Foreign Minister 'Abd al-Halim Khaddam reiterated Syria's charge that the Jordanian Government is seeking to "liquidate" the Palestinian issue and is looking for a "Jordanian option" as an alternative to the PLO. Describing King Husayn's government as a "black regime," Khaddam said Syria will "give aid to our people in Jordan until they liberate themselves" and until Jordan returns to being a "base for the Palestinian revolution."

Islamic Summit--Damascus radio reported that during a visit to Saudi Arabia in which he delivered a message to King Khalid from President Hafiz al-Asad, Foreign Minister Khaddam announced that Syria will participate in the forthcoming Islamic summit to be held in the kingdom.

Muslim Brotherhood--According to Damascus radio, on 8 January security forces in the capital killed two Muslim Brotherhood members, including one who was wanted for several terrorist operations. Travelers from Syria cited by Amman radio reported armed clashes in the near Damascus on 5-6 January, and Voice of Lebanon radio said the Muslim Brotherhood renewed its activity in Aleppo last week. Amman radio also claimed that the authorities carried out a "second massacre" in Palmyra during December, killing 120 women married to Muslim Brotherhood supporters.

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BRITISH PARLIAMENTARY DELEGATION CONCLUDES VISIT

Meeting With Karmal

LD091514 Kabul Domestic Service in Pashto 1430 GMT 9 Jan 81

[Text] The general secretary of the PDPA Central Committee, chairman of the Revolution Council and prime minister of the DRA, Babrak Karmal, received the British parliamentary delegation this morning at the headquarters of the Revolution Council. During this meeting, topics of mutual interest, including the international situation, were discussed in an atmosphere of friendship. The British parliamentary delegation arrived in Kabul last week at the invitation of the DRA Peace, Friendship and Solidarity Organization.

Tour of Nangarhar

LD101850 Kabul Domestic Service in Pashto 1430 GMT 10 Jan 81

[Excerpts] The British parliamentary delegation which recently arrived in Kabul for a friendly visit at the invitation of the our country's Peace, Solidarity and Friendship Organization went to Nangarhar Province today and participated in a meeting held in Jalalabad to celebrate the general conference of the national and patriotic forces for the preliminary preparation of the National Patriotic Front congress. Thousands of workers, laborers, peasants, members of the Democratic Youth Organization, the Democratic Women's Organization and social organizations, trade union members, employers of government departments, teachers, students and the toiling people of Nangarhar participated in this meeting.

The delegation went on to visit Torkham accompanied by the governor of Nangarhar. It then visited the (Jenal Khan) school in Momand Dara district, which was burned down by counterrevolutionaries, and viewed the reconstruction work in the Zari-Kab bridge on the Torkham-Jalalabad highway, which also had been demolished by counterrevolutionaries. The delegation later visited the Ghazi-Abad and Batikot farms.

The delegation was warmly received everywhere by government employers and employees. According to BAKHTAR, the delegation arrived in Kabul this evening.

Reception in Kabul

LD111628 Kabul Domestic Service in Pashto 1430 GMT 11 Jan 81

[Text] The British parliamentary delegation which had come to Afghanistan at the invitation of the DRA Peace, Solidarity and Friendship Organization for an official and friendly visit left Kabul for home today.

First Deputy Minister and acting Minister of Education and Training Dr Faquir Mohammad Y'aqubi, the assistant to the DRA Peace, Solidarity and Friendship Organization, and some of the organization's members bade farewell to the delegation at Kabul International Airport.

According to another report, last night the delegation took part in a reception given in their honor at the Kabul Intercontinental Hotel by the DRA Private Industrial Investment Association. At this reception the members of the (?association) were introduced to the British parliamentary delegation by the association's assistant, Mr Ahadi.

The reception was attended by Minister of Commerce Mohammad Khan Jalalar, first deputy of the State Planning Committee Dr Paktiawal, first secretary of the Democratic Youth Organization of Afghanistan executive committee Borhan Ghiasi, and Afghan trade unions President Satar Pordal.

Mohammad Rahim Majid subsequently explained on behalf of the association's members how the DRA has been and is assisting merchants and national capitalists in the area of DRA private investment and how easy terms are provided for private investment. Another association member, Qodus Majid, highlighted the rights and obligations of workers in small and medium private industrial plants. The British parliamentary delegation welcomed receiving this information. Dr Pakitawal presented the delegation members with gifts prepared by the association.

Departure From Kabul

GF111607 Kabul in Urdu to South Asia 1330 GMT 11 Jan 81

[Excerpt] The British parliamentary delegation that had come to the DRA on a friendly factfinding tour at the invitation of the Afghan Peace, Solidarity and Friendship Association left for home today. They were seen off at the Kabul airport by (Fakir Yakubi) and members of the Afghan Friendship, Peace and Solidarity Association.

INDIAN DEPUTY FOREIGN MINISTER DEPARTS KABUL

LD091758 Kabul Domestic Service in Dari 1600 GMT 9 Jan 81

[Text] R. Sathe, deputy foreign minister of the Republic of India, who had come to Kabul on a friendly visit, left Kabul for New Delhi today. High-ranking Foreign Ministry officials, the ambassador and some members of the Indian Embassy in Kabul were present at Kabul International Airport to see R. Sathe off.

ANAHITA RATEZBAD RECEIVES INDIAN AMBASSADOR

LD111451 Kabul Domestic Service in Pashto 1430 GMT 11 Jan 81

[Text] Dr Anahita Ratebzad, member of the PDPA Central Committee Politburo, chairman of the Democratic Women's Organization of Afghanistan and president of the DRA Peace, Solidarity and Friendship Organization, received Indian Ambassador to Kabul Dr. J. Singh Teja at her office this morning. At the meeting topics of mutual interest were discussed.

AFP: FORMER AFGHAN MINISTER SAID TO BE KARMAL ADVISER

BK091709 Hong Kong AFP in English 1648 GMT 9 Jan 81

[Excerpts] New Delhi, 9 Jan (AFP)--Afghan Premier Babrak Karmal has appointed Dr Niamatullah Phazwak, a minister of interior and later of education in the government of slain former President Mohammad Daoud, as his advisor, diplomatic sources in the Indian capital said today.

Dr Phazwak has not been in the government since 1977 and the move was interpreted by the source as part of the process of broadening the base of Mr Karmal's government. No other details on Dr Phazwak were available.

The Afghan capital had suffered massive power cuts in recent days, which the sources attributed to sabotage by insurgents.

AFP: FOREIGN OFFICE SOURCES VIEW AFGHAN TALKS

BK101252 Hong Kong AFP in English 1224 GMT 10 Jan 81

[By Dilip Ganguly]

[Text] New Delhi, 10 Jan (AFP)--After months of diplomatic lull the Afghan issue has now assumed importance with brighter prospects for a political settlement of the 1-year-old crisis slowly but steadily emerging, area experts close to the Indian Foreign Office said today.

Indian Foreign Secretary R.D. Sathe, who returned here yesterday after 3 days of hectic consultations in the Afghan capital, has informed Foreign Affairs Minister P.V. Narisimha Rao that there was enough scope for "common ground" for tripartite talks between Pakistan, Iran and Afghanistan as the Soviet-backed regime of Babrak Karmal in Kabul was "willing" to make "concessions."

"The prospect for a political settlement has never been so bright as it is today...Mr Sathe was informed by the Afghan leadership that Kabul was willing to hold early negotiations without standing on formalities," an expert who had access to first hand diplomatic information said.

The Afghan willingness to hold talks "without standing on formalities" is being interpreted by the Indian Foreign Office as a possible indication that Kabul has dropped recognition of the Marxist regime by Pakistan and Iran as a pre-condition for direct talks. (However, the denial by the Soviet Embassy in London of British press reports on Thursday [8 January] that Moscow had dropped its demand for a Pakistani recognition of the Karmal regime before any talks, had surprised the Indian Foreign Office. the experts said.)

"It is a very complex diplomatic situation....the proposals are being interpreted in different ways...but the Indian Foreign Office has been given to believe that Kabul and Moscow are eager to reach some sort of agreement with Pakistan and Iran before the non-aligned foreign ministers conference begins here on 9 February," the expert said.

In spite of Afghanistan's categoric statement that it would "not stand on formalities" for taking part in the talks, the Indians are not very sure if it means that Kabul would talk with Islamabad and Tehran through a representative of the ruling People's Democratic Party of Afghanistan (PDPA) and not the government, the expert said.

According to Indian assessment three main hurdles would have to be cleared before the parties concerned agree to sit across the table. The experts listed the hurdles as: Pakistan's insistence that it would talk only with the PDPA representative and not with Babrak Karmal's government, the interpretation of the role the United Nations would play in the proposed talks, and the venue for holding such talks.

"For Pakistan there is no way out but to insist that it would only talk with the PDPA," the expert said and recalled the decision of the tripartite Islamic committee set up for the purpose of finding a solution of the Afghan issue.

The Islamic conference held in Pakistan last year had resolved that it would not talk with the Kabul regime unless the Soviet troops were withdrawn. Later Pakistani Foreign Minister Agha Shahi announced a modified plan which said that Pakistan was willing to talk to the PDPA representative.

The Indian Foreign office is, however, hopeful that the Islamic conference scheduled for 17 January in Mecca would further modify its stand. According to Indian assessment Pakistan, which is facing strong economic and political pressure and the burden of 1.4 million Afghan refugees, is equally keen to reach an agreement with Kabul.

"All the three countries have their respective reasons for coming to an early settlement...what is needed is an opening and India is capable enough to provide that...but it is yet to be seen if the Islamic countries, particularly Pakistan, would agree to an Indian mediation," said the expert, quoting a primary source in the Indian Foreign Office.

India is willing to offer New Delhi as a possible venue for the proposed talks, but before that the Foreign Office wants to be sure that the talks would not fail and further complicate the already tense Indo-Pak relations, the expert said.

On the interpretation of the role the United Nations would play, India believes that wide differences exist. Pakistan wants the talks held under UN auspices which would mean a greater mediatory role for the world body, whereas Afghanistan is only willing to accept a secondary role by the UN, the expert said.

India is, however, confident that the differences on the role of the UN can be narrowed down, the expert said, without elaboration. The diplomatic impasse on Afghanistan was broken on 3 January when the Pakistani Foreign Minister Agha Shahi announced in Islamabad he had sent a letter to UN Secretary General Dr Kurt Waldheim, asking him to appoint a special representative to initiate talks between Afghanistan and its neighbours, Pakistan and Iran.

On 5 January Afghanistan informed India that it was willing to negotiate with Pakistan and Iran in the presence of a UN representative. The Afghan stand was conveyed to Prime Minister Indira Gandhi by Afghan Minister for Higher Education and Training Dr Anahita Ratebzad, when she met Mrs Gandhi here. The following day, Iran announced that it was studying the Pakistani proposal and the Afghan reaction.

The Soviet Foreign Ministry refused to comment on the latest diplomatic developments and the Soviet mass media abstained from reporting the news. Pakistan launched a diplomatic campaign on Sunday when several ambassadors were called to the Foreign Ministry in Islamabad. On 7 January representatives from the Islamic countries visited the ministry. The same day Indian Foreign Secretary R.D. Sathe left for Kabul on a 3-day visit.

U.S. CONGRESSMEN MEET WITH PRIME MINISTER GANDHI

BK120902 Delhi Domestic Service in English 0830 GMT 12 Jan 81

[Text] A delegation of U.S. congressmen met Prime Minister Mrs Gandhi in New Delhi today. Later, leader of the delegation Melvin Price told newsmen that the discussion covered all matters of mutual interest. He said they had a frank and friendly exchange of views during the hour-long meeting.

SINGH OBJECTS TO DACCA REMARKS ON GANGES TALKS

BK091626 Delhi Domestic Service in English 1530 GMT 9 Jan 81

[Text] India is understood to have taken strong exception to adverse comments expressed by the Bangladesh Government as broadcast by radio Dacca today on the use by India of the Ganges waters even as the talks were progressing in New Delhi to break the impasse.

Rao Birendra Singh is reported to have conveyed to the leader of the Bangladesh delegation India's strong objection to remarks by a Foreign Office spokesman in Dacca early today that India is thinking of withdrawing the flow of Ganges in the upper and middle reaches. The remarks by the Bangladesh spokesman--that if reports to this effect were true the whole purpose of the 1974 agreement would be lost--were strongly resented by Rao Birendra Singh in his personal talks with Kazi Anwarful Haq after today's session.

ZIAUL HAQ LEAVES FOR MIDDLE EAST DIPLOMATIC TOUR

Airport Sendoff

BK110842 Karachi Overseas Service in Urdu 0800 GMT 11 Jan 81

[Text] President Gen Mohammad Ziaul Haq has said that the objective of his current visit to several Islamic countries is to consolidate Islamic world solidarity. He said his primary aim is to consult leaders of these states about the Islamic summit conference scheduled for Mecca toward the end of this month. He was talking to newsmen at Islamabad airport before departing for Kuwait, Turkey, Qatar and Bahrain.

He said during his visit he will hold talks with the leaders of these states on the agenda of the Islamic summit conference and other important issues facing the Islamic world, including Afghanistan. The president said although he is visiting Turkey at the invitation of Turkish head of state Gen Kenan Evren, he, however, considered it appropriate to visit some other Islamic countries on this occasion.

Answering a question on the UN secretary general's efforts to settle the Afghan issue, the president said it is not yet time for him to comment on it. He stressed, however, that this has been Pakistan's effort from the beginning to find a political solution to the Afghan issue. He said: We will take all necessary steps to seek an honorable solution of this issue, but there will be no bargaining on principles to settle this issue.

Answering a question on any new step to end the war between Iran and Iraq, the president said our efforts in this connection are continuing and we are urging both fraternal countries to end the war. He said he is hopeful that both countries will agree to hold talks rather than continue the war.

Gen Mohammad Iqbal Khan, chairman of the Joint Chiefs of Staff committee: Gen Sawar Khan, vice chief of the army staff; Air Chief Marshal Mohammad Anwar Shamim, Punjab Governor Lt Gen Ghulam Jilani Khan, federal ministers and other senior military and civil officials. saw the president off at the airport.

News Conference in Kuwait

For Kuwaiti media coverage of the arrival of Pakistani President Ziaul Haq in Kuwait and his news conference on the upcoming Islamic summit conference, see the Kuwait section of the 12 January Middle East and Africa DAILY REPORT.

Chief Justice in Charge

BK110803 Karachi Domestic Service in Urdu 0200 GMT 11 Jan 81

[Text] It has been officially stated in Rawalpindi that during the absence of President Gen Mohammad Ziaul Haq from the country, Chief Justice S. Anawarul Haq will be the acting president; Gen Mohammad Iqbal Khan, chairman of the Joint Chiefs of Staff, will be the acting chief martial law administrator and Justice Dohrab Patel will be the acting chief justice of Pakistan.

FOREIGN MINISTER SHAHI LEAVES FOR VIENNA, BELGRADE

BK091532 Karachi Domestic Service in Urdu 1500 GMT 9 Jan 81

[Text] Foreign Minister Agha Shahi left Karachi for Vienna today where he will exchange views with Austrian Chancellor Kreisky on matters of mutual interest. Later he will proceed to Belgrade, where he will hold talks with the Yugoslav foreign minister on the agenda of the upcoming ministerial conference of nonaligned countries. After this, Agha Shahi will join the president's visit to Turkey.

'FINAL REPLY' TO U.S. TO BE SENT WITHIN 2 DAYS

LD111151 Tehran Domestic Service in Persian 1130 GMT 11 Jan 81

[From the press review]

[Text] In connection with the hostage issue, ENQELAB-E ESLAMI writes: Within the next 2 days the government will send its final reply to America.

AFP: AHMAD AZIZI ON U.S. PROPOSALS ON HOSTAGES

NC101757 Paris AFP in English 1752 GMT 10 Jan 81

[Text] Tehran, 10 Jan (AFP)--The Iranian Government has found a communique transmitted to it by the Algerian Government and containing the most recent U.S. proposals on the release of 52 American hostages to be acceptable on the whole, government spokesman Ahmad Azizi said here today.

An informed source here said that the communique, if it is approved and signed by both Iran and the United States, would constitute an act by which the Algerian Government would confirm that an agreement had been reached.

It was to this communique that Iranian Premier Mohammad 'Ali Raja'i apparently was referring in a statement issued Tuesday following a meeting with religious leader Ayatollah Ruhollah Khomeyni.

The following day, Bezhad Nabavi, Iran's principal negotiator in the hostages talks, declared that Algeria had agreed to be the depository of the guarantees provided by both the United States and Iran. The guarantees would be made to ensure the successful implementation of a settlement.

On Tuesday, the Iranian Government requested further clarifications by the United States, which were drawn up the same day in Washington. Some of the clarifications seem to have been sent through the Algerian intermediaries to Tehran Wednesday or Thursday. Other clarifications appear to have been drawn up by Deputy Secretary of State Warren Christopher following talks with Algerian Foreign Minister Mohamed Ben Yahia Thursday and transmitted through the intermediaries later that day. However, Iranian Government sources said that the full U.S. response was received in Tehran earlier today, implying a further exchange of messages.

The U.S. proposals now appear to have been incorporated in the Algerian communique, which, according to Mr Azizi, contains undertakings that Iran and the United States should be able to accept and seems to represent the totality of the U.S. response to questions posed by Tehran Tuesday.

Mr Azizi indicated that Iranian authorities would issue their response between now and next week. The Iranian reply could therefore meet the January 16 deadline set by the administration of President Jimmy Carter. Mr Carter has repeatedly warned Iran that, with his administration leaving office on January 20, time was running out. After January 16, he would be unable to reach a settlement that would be binding on President-elect Ronald Reagan. Mr Reagan has said that he would not agree to a blank check for a settlement with Iran on the hostage issue.

Last night, Tehran radio broadcast a commentary on the hostages negotiations that observers here regarded as a claim for a partial victory in the contest of wills between Iran and the United States. According to the radio, the United States has been obliged to meet half the demands of the Iranian people. It added that the United States would deposit half of the financial guarantees--about 12,000 million dollars--with the Algerian central bank. Observers here noted, however, that the deposit of such a sum has not been confirmed by U.S. authorities.

The radio said that the alleged U.S. decision was explained by the American defeat in the face of the resistance of the Iranian people and by the economic crisis in the United States that worsened after the Iranian revolution.

LEADERS NOW STUDYING LATEST U.S. RESPONSE

NC100959 Paris AFP in English 0955 GMT 10 Jan 81

[Text] Tehran, 10 Jan (AFP)--The entire U.S. response to the latest Iranian questions dealing with negotiations on release of the hostages held in Tehran reached the Iranian capital today, an informed source said here. Iranian leaders, in close contact with Algerian intermediaries, were now studying the American global response, the source said.

Government spokesman Ahmad 'Azizi said in an interview published today in the daily KEYHAN that Tehran would announce its response by the end of the week. Mr. 'Azizi added that Iran had found the communique of the Algerian mission (to be) acceptable on the whole. He gave no further details.

Well-informed sources here said that Iranian authorities now had answers to all points of the queries they had raised on the latest American proposals.

AFP QUOTES SOURCE ON U.S. OFFER ON HOSTAGES

NC111756 Paris AFP in English 1754 GMT 11 Jan 81

[Text] Tehran, 11 Jan (AFP)--The United States has offered to pay directly to Tehran 10,000 million dollars in exchange for the freeing of the 52 American hostages, a well-informed source here said today. Hostage negotiations today were centering on the offer and it appeared as if the U.S. proposal of placing financial guarantees in Algeria until the hostages were released had been abandoned, the source said. Tehran had demanded 23,400 million dollars in guarantees. The U.S. had countered with an offer of 7,000 million dollars to be paid in two stages, the New York TIMES reported today.

Meanwhile, Iranian Government spokesman Ahmad Azizi said that Iran would give Algerian intermediaries Tehran's final response to the latest American proposals for freeing the hostages either on Monday or Tuesday. His comment was reported in the ISLAMIC REVOLUTION newspaper.

The U.S. offer of 10,000 million dollars corresponds to Iranian assets frozen in the United States, the informed source here said. Washington would unblock the sum in return for the simultaneous release of the 52 hostages now held for more than 14 months, the source said.

Washington also reported that the Iranian assets involved in legal claims by U.S. business and individuals, estimated at 2,500 million dollars, should be settled by international arbitration after the hostages are released, the source said.

Meanwhile, Mr Azizi said that the Iranian Government had accepted the "Algerian proposals concerning the international guarantees of America instead of the deposit of funds in Algerian banks," according to the ISLAMIC REVOLUTION newspaper. Mr Azizi did not explain his statement and ould not be immediately reached for comment. Political observers here, however, said he could have been referring to the U.S. proposal of arbitration when he mentioned "international guarantees".

MAJLIS TO CONSIDER FINANCIAL DISPUTE WITH U.S.

LD121124 Tehran Domestic Service in Persian 1037 GMT 12 Jan 81

[Text] The Islamic Consultative Assembly held an open session today. The session opened at 0835 this morning with recitals from the holy Koran under Hojjat ol-Eslam val Moslemin Hashemi Rafsanjani. The report of the Majlis Economic and Finance Commission on the bill for collection of the costs of transporting goods was then read and approved after the necessary debates.

According to a Central News Bureau correspondent, in today's open session, the minister of state for executive affairs submitted two government bills on a double urgency [do foriyat--parliamentary term designating highest priority handling of legislation] basis to the Majlis. They were as follows:

1. The bill concerning the settlement of financial and legal disputes between the Islamic Republic of Iran and the U.S. Government.

2. The bill on the return of the wealth of the deceased shah and his close relatives.

Votes were then taken on the priority nature of the two bills after necessary explanations by the minister of state for executive affairs and a debate. The priority nature of both bills was approved.

Our correspondent reports that today's Majlis session continued in secret at 1030 at the request of several deputies in order to debate the situation in the war with Iraq.

Our correspondent adds that during his preagenda speech at today's open session Seyyed Fakhreddin Mosavi-Nankaran, the deputy for Ardabil, issued a warning to all troublemakers, opportunists, rightwingers and leftwingers. He said: We have learned the word monotheism from the prophet of Islam and the imam of the nation and we shall not abandon it. The enemies must remember that the authorities' differences in taste will not result in differences of opinion concerning ideology.

Esma'il Rafian, the deputy for Marand, then gave a speech and praised the martyrs who gave their lives for justice. He said: I am not going to speak about the aggressive West or East or their agents and desperate lackeys in the region, or their domestic fifth column. I am not going to trouble my tongue by enumerating the crimes and aggressions of the superpowers and the [word indistinct] associated with the Eastern and Western superpowers. I am going to complain about those who unwittingly prepare the ground for the plots of the Eastern and Western superpowers, and who then make use of what they themselves have brought about in order to attack their Muslim brethren.

The final speaker in today's session was Mohammad Amir Sazegard-Nezhad, the deputy for Sarvestan, who said: The burden of this revolution is shouldered by the oppressed, who are the revolution's revolution. They are trying to cope with economic problems, like soldiers, on the farms. They have said that they were ashamed of raising material and welfare issues. However, a landlords' union has been created against these people, the so-called agricultural council [shora-ye kesha varzi]. The people on this council have not even cultivated 1 hectare of land, but are only pursuing financial profits. However, the imam's allies, the revolution's martyrs and the imam's soldiers are these very peasants. Therefore, all of us must endeavor to fulfill our responsibility on their behalf.

Our correspondent reports that the next open session of the Islamic Consultative Assembly will be held at 0800 tomorrow.

AFP Report

NC120734 Paris AFP in English 0708 GMT 12 Jan 81

[Text] Tehran, 12 Jan (AFP)--The Iranian Government today asked parliament for powers to resort to "arbitration acceptable to both sides" to solve the "financial and judicial differences" between Iran and the United States. The request was contained in a draft bill put to parliament by government spokesman Behzad Nabavi who said the problems connected with the 52 American hostages being held here concerned Iranian funds blocked in the United States by legal actions. The bill will be discussed and voted on tomorrow.

In a second draft bill the government asked for the nationalisation of all the belongings of the late shah and his family "wherever they may be in the world." Mr. Nabavi said the bill would give the government the right to confiscate the belongings, a list of which was attached to the bill.

Further AFP Report

NC120903 Paris AFP in English 0852 GMT 12 Jan 81

[Text] Tehran, 12 Jan (AFP)--The Iranian Government today asked parliament for powers to resort to "any solution acceptable to both sides" in the hostage dispute, warning that the U.S. would make no guarantees beyond January 16. Government leaders asked MP's to give top priority to the request, contained in a draft bill submitted today.

"We thought we could finish with the problem (of the 52 Americans held hostage in Iran) if we ask as soon as possible for permission for such arbitration (and) if we reach an acceptable solution to the other questions," government spokesman Behzad Nabavi said.

The Carter administration "cannot negotiate beyond January 16," he said. "The Americans have told us that after this date they would be unable to give guarantees or commitments." They could also not guarantee in what form negotiations would continue. Mr. Nabavi warned: "It is possible that negotiations will continue after the new (Reagan) American Government comes to power on January 20--but it is also possible that they will not continue, or (will continue) in another form." If no agreement was reached by then, the Iranian Government would be ready to "re-start" negotiations with the new administration, said Mr. Nabavi, who is Iran's main negotiator in the hostage affair.

The bill will be discussed and voted on tomorrow.

RAFSANJANI: SHAH'S WEALTH CAUSES NO DISAGREEMENT

NC121227 Paris AFP in English 1220 GMT 12 Jan 81

[Text] Tehran, 12 Jan (AFP)--The United States has agreed to return any property proved to belong to Iran, therefore the estate of the late shah is no source of disagreement, Parliamentary Speaker Hashemi Rafsanjani said today. Speaking at a press conference, the speaker said that the decision on each case would be left to U.S. courts. He told newsmen that current financial and legal points remaining to be settled did not involve the shah's property.

AFP QUOTES PARTY LEADER ON TRIAL FOR HOSTAGES

NC111525 Paris AFP in English 1525 GMT 11 Jan 81

[Text] Tehran, 11 Jan (AFP)--The American hostages will be put on trial only if the United States flatly rejects Iran's terms for their release, but if they are tried, some could be sentenced to death, Jalaleddin Farsi, a leader of the Islamic Republican Party, said here today. Mr Farsi, considered one of the most influential members of Iran's majority party, said he did not favor setting a time limit for the United States to comply with Iran's terms, which he said represented the absolute minimum that Iran can accept.

These terms are currently being negotiated by Tehran and Washington through Algerian officials. In the Iranian capital, the top-secret discussions have continued throughout the day, while in Algiers, suspense was building as the U.S. delegation awaited Iran's response.

Mr Farsi told AGENCE FRANCE-PRESSE that if Iranian leaders felt that the new U.S. administration was stalling for time, this would be considered by Tehran as a negative response. In any event, said Mr Farsi, those hostages found guilty of participating in plots against the Islamic Republic or in strengthening the regime of the former shah would be sentenced to prison terms, and they are already captives. However, he did not rule out the death penalty in the event of a trial.

The United States must be brought to accept Tehran's conditions without being cornered into using force, Mr Farsi said. He added that Iran should beef up its military forces in order to continue negotiating with the United States. From the Iranian point of view, it made no difference whether the indirect negotiations on the hostages were carried out with the administration of outgoing President Jimmy Carter or that of President-elect Ronald Reagan, he said.

TEHRAN COMMENTARY ON HOSTAGE NEGOTIATIONS

LD100904 Tehran Domestic Service in Persian 2254 GMT 9 Jan 81

[Commentary by Dr Hoseyn Abutorabian--"World Press and Iran's Revolution"]

[Text] Once again during this week we witnessed yet another telling blow dealt by the Islamic Republic of Iran's Government against the foundations of power of the world oppressors and the mighty. By revealing the text of two letters sent in reply to terms set for the release of the hostages, Iran once again exposed the filthy and devious nature of the American Government to the world, thus demonstrating to the whole world how all the ruling organs in America are based on lies, corruption and futility.

If we study the tests of the two letters sent by the American Government to Iran, which were handed over to the Islamic Republic Government by the Algerian representatives on 12 November and 4 December, we would clearly see that America has implicitly accepted all the terms set for the release of the hostages, and has produced the U.S. president's signature as a guarantee [zamen] for the implementation of Iran's demands. However, in Iran's last reply, which was made public by the government last week before being received by U.S. authorities, we only saw two points, neither presenting any new problem. Apart from stating the fact that Iran cannot accept Carter's or Reagan's signature as a guarantee of implementation, and that America should also include the phrase "from now on" with regard to its undertaking [ta'hod] not to interfere in Iran, there was no other problem in the final reply made by the Iranian Government. This is at a time when we witnessed how America by receiving this reply created such a fuss, and how it suddenly abandoned the hypocritical stance it had taken and how it began to fabricate such nonsensical claims, like Iranians demanding a ransom. All of this was witnessed by all of us. The fact is however, that the demand for a reliable guarantee, rather than Carter's or Reagan's worthless signature, is the Iranian nation's legitimate right. And since the outcome of (?meeting Iran's terms) would ultimately result in the payment of a certain sum, it is quite natural for the Iranian Government to refuse to accept the U.S. president's signature and instead demand a sum as a guarantee--not to be pocketed by Iran--but to be deposited in a third country's bank. All of this is for the purpose of having a bona-fide guarantee and to thwart any cheating, fraud, hypocrisy and charlatanism by Americans.

Therefore, we leave the significance of the great value of Carter's and Reagan's signature to those who still think well of America and believe that lying and breaching one's word or signature would not be consistent with the behavior of civilized American rulers.

In any case, in order to really understand how the American rulers and their helpers lie with ease and slander and deny without hesitation, together we will look at some articles in the media affiliated to the White House and to those of the same mind, so that we can fully learn of their evil nature and realize what a great blow was dealt by the Iranian Government to the foundations of international imperialism, by openly publishing the (?letter of) reply.

We start first with Washington POST, which is like a semi-official organ of the White House, and usually the materials printed in it more or less conform to the general U.S. policy. The Washington POST, which until the publication of Iran's letter of reply, constantly spoke of the Iranian Government's goodwill and the agreements between the two governments regarding the release of the hostages in concert with the complete solution of the problems between the countries, suddenly--after the publication of Iran's reply--altered its stance 180 degrees and wrote in the lead article of its 27 December issue: It does not seem that the hostages are any closer to freedom now than 13 months ago, when the American diplomats were captured by a group of mindless fanatics. Of course, with apologies for repeating the remarks of the Washington POST, it should be said that the article is full of rude oaths at the Iranian nation and revolution. It is not known why, before the publication of Iran's reply, this paper constantly spoke of the goodwill of the Iranians and the strong inclination of the U.S. Government to establish relations with the Iranian revolution and of the bravery of the Iranians. However, on publication of Iran's letter, the writer of the lead article suddenly broke his bridle and directed all the abuse that is fit for the occupants of the White House at the Iranian nation.

We read the rest of the Washington POST article: Although America is busy negotiating, with great patience, with the irresponsible and cruel Iranian leaders, we cannot understand why the U.S. proposals, which were prepared with the utmost care, were useless to these leaders. In reply to the Washington POST writer, and in order to make him understand why, despite all the care taken in the preparation of the U.S. proposals, it was in vain, it should be said: He had better refer to other things previously prepared by America, which turned out to be in vain in practice, in order to understand the reason. (?That is), an appraisal of the reasons behind the failure of the U.S. attack on Tabas desert, the disgrace of Shahpur Bakhtiar's American coup d'etat on 9 July and the disgrace of Saddam's accurate and preplanned attack on Iran on 22 September could explain the reasons for the failure of this latest plot to the Washington POST writer. If he thought that by signing a few pages of the so-called letter of guarantee [tazmin-nameh] Mr Carter could take delivery of the hostages and then make fun of us, saying that we got our just dessert, we reply that after 25 years of bondage at the hands of the honorable Americans we know them very well and know that whenever the American heads of government speak of conscience, honor and humanity, there is definitely dishonor afoot and that we would soon feel the bitter taste of humanity, the American kind at that.

I now read you the milder abuses of the Washington POST writers, in the continuation of the same article: The students have become thick-necked terrorists and the mullahs have become new exploiters; it is the civilized, innocent diplomats who have become captives of uncivilized barbarians. While, if we punish the Iranians for their savagery as they deserve, the Iranians would undoubtedly repent for what they have done in using the hostages in order to start a cash collection.

The dear listeners are no doubt familiar with the examples of lying, slandering and talking rubbish that were referred to in the beginning of the program, and see clearly how remote from civilization are these so-called civilized people of today's world. It seems that they have not heard that with his signature, their president intended to pledge the honor of such civilized American writers to guarantee the payment of Iran's rights. It is just as well that they were found out and everybody learned that Iran chose the wisest course; that is, not to attach the slighest importance to the signature of the leader of this foul-mouthed and shameless community. More interesting is the threat by the Washington POST, which proposes that the Iranians be punished as they deserve; as if all the trickery and plot-hatching that they have perpetrated in Iran over the last 2 years have been fondlings and caresses, so that they are now thinking of punishment.

The unrest in Kordestan, [word indistinct] of Tabriz, the strikes in early 1979, the explosions in Khuzestan, the bomb plantings in Tehran, the attack in the Tabas Desert, Bakhtiar's coup d'etat, Saddam's attack, the street clashes and so forth were not worthy of Iran's revolution; now they intend to deliver a punishment worthy of the Iranians. This new punishment could mean nothing but an all-round military attack on Iran; the outcome of this military attack is obvious now: It would lead only to the destruction of America, because there is no doubt that the first effect of this attack would be the burning of the Persian Gulf and the U.S. jugular vein. The United States, which had no doubt foreseen events, stored enough oil for herself and her friends. But the United States has now used most of her reserves because of the duration of the Iran-Iraq war, and consequently could not bear the destruction of her required oil reserves in the Persian Gulf. Since she could not envisage that the imposed war would last more than 10 days, she has used most of her reserves. Considering this fact, if she embarks on this madness and starts an extensive attack, by the time she has taken the necessary steps to restart the production and export of Persian Gulf oil after the destruction of Iran, it would be too late and the dying U.S. economy would have fallen apart: That is, if the accurate, prearranged U.S. plans were to go as planned and reach their ultimate goal, the destruction of the basis of Iran's Government. Otherwise, if the slightest accident were to slow down the orderly course of America's computerized calculations, it would have such terrifying consequences that the American rulers shudder to think of it. Now, go ahead and play: Aircraft carriers, bombers ready to fly; the bases in Oman, Somalia, Egypt, Iraq, Jordan and Saudi Arabia; accurate and calculated plans and trained forces ready to attack. Of course, we advise the Pentagon officials this time--in addition to accounting for the dangers of sandstorms--to take into account the brave resistance by the soldiers and guards and the bravery of the pilots and sailors. And since it is possible for another unknown calamity to occur, which the American computers might not be capable of recognizing or assessing, we propose that in their programming they even allow for the dangers of the Persian Gulf sharks and the [dasht-e kavir] tarantulas, in order to have a 100 percent guarantee of success. And in order to prevent any possibility of defeat, it would also be wise not to overlook the danger of the flight of the birds in Iran's skies, lest their droppings might cause the American bombers to crash. That might lead to such a disgrace that it might take a long time to wipe its traces from the face of the White House.

And now an article from THE DAILY TELEGRAPH, that most reactionary British publication, preserver of capitalist interests and mouthpiece of London's Zionist circles, that has always marched in step with U.S. policies: In its 23 December editorial article THE DAILY TELEGRAPH writes: Iran's latest requests show that the U.S. secretary of state was justified in showing his anger over the Iranians' extortion in exchange for the release of the 52 American hostages. For what the Iranians want is more or less ransom and, like other kidnappers, they are asking for ransom. This DAILY TELEGRAPH article is a perfect example of journalistic charlantanism. These so-called civilized Britons--who beat up and strip Iranian travelers at London airport out of anger and spite, crush Iranian students under their savage police's horses' hooves for demonstrating against America, and chain them in prison--it is surprising that they consider the anger of the U.S. secretary of state as justified and regard as extortion Iran's letter, which is in fact an order, not a request. If the likes of THE DAILY TELEGRAPH which in the past paid tribute in every issue to the greatness of the shah [aryamehr] and enjoyed his favor, had supported us afterwards, what a catastrophe it would have been and how could we have saved our revolution from such shame and disgrace?

Now an example of the shameful lies of the U.S. press and how it fills the American people's minds with baseless articles and clearly distorts the truth. The 29 December Washington POST--2 days after the issue of whose abuses we told you at our program's beginning--it seems that after realizing the ineffectiveness of those futile comments it wanted to evaluate the situation wisely, gave its pen a different twist and wrote: Iran's reconsideration, less than a week after announcing its latest conditions, makes the solution to the problem more difficult. For the necessity for America's $24-billion guarantee for unfreezing Iran's $9-billion assets has not altered the nature of the situation.

It should be pointed out to the Washington POST writer that Iran made no reconsiderations in stating the conditions except for announcing that we do not accept Mr Carter's signature because of his lies and inhumane acts. Except for this no changes were made in the conditions approved by the Islamic Consultative Assembly; the conditions are the same and the guarantee for their fulfillment should be acceptable to both sides in accordance with all recognized international principles. Since we are 100 percent sure of the worthlessness of the U.S. president's signature, we are holding on firmly to the fundamentals of the issue, lest tomorrow we may not be able to reach the high wall of White House denials, so that we may not witness the dishonor of the civilized individuals who are ruling the American nation [as heard]. In any case, is not the point of the U.S. President's signature to guarantee the payment of the money? It would be even better for this signature to be turned into the money itself and placed in a safe place so that the U.S. president may relax and not have evil thoughts. Why is it that when Carter wants to guarantee the payment of the money to Iran with his signature, this act is the symbol of fairness and civilization, whereas when we say that he had better place the money in a safe place, we become savages, barbarians and extortionists?

Furthermore, the Washington POST--which writes: They have asked for $24 billion for the release of $9 billion--had better reread the conditions approved by the Majlis and those two U.S. letters which were divulged by the Iranian Government in order to learn that Mr Carter was willingly prepared to sign a document guaranteeing [tazmin] the investigation and return of the accursed shah's plundered wealth. The Washington POST writer is vainly attempting to pervert the truth of the matter. That is why he embarks on such illogical explanations and pretends to be ignorant.

Continuing its theme the Washington POST writes: Following the resolute rejection of Iran's conditions by the Carter administration, Reagan and the U.S. people, the Iranians quickly, and even with panic, revised their conditions. But did they realize that postponing the solution of this issue until Reagan comes to power might entail tougher U.S. positions?

This blatant prevarication and this threat which could only frighten children once again clearly demonstrate U.S. helplessness and haplessness, revealing the extent of the ramshackleness, lack of depth and brittleness of this so-called superpower which, when confronted by a country like Iran which it terms "weak," has no option but to resort to telling lies; and fearing new futile action it does not even dare to issue a serious, intimidating threat. The Washington POST writes: Following the resolute rejection of Iran's conditions the Iranians revised their conditions with panic!

We ought to be grateful to the Iranian Government for revealing so well the hand of these liars by publishing the U.S. letter of reply in which we saw how entreatingly Carter accepted all four of Iran's conditions, declaring his readiness to guarantee [tazmin] their fulfillment. Now no one seems to know which of Iran's conditions was "resolutely" rejected by the United States, thereby enabling the Washington POST to say: "This resolute rejection panicked the Iranians! To begin with, would a government which is intimidated by Mr Carter's resolute rejection lighten its conditions or would it force the United States to squeal to the high heavens and have no other recourse but to seek help from the Washington POST's brazen pen pushers who regale the American nation with such balderdash? We will defer the reply to the Washington POST's empty threat, but should they dare to carry it out, we shall give the reply to it here in Iran. Otherwise, we will continue to laugh from here at the shocked and luckless face of these gentry.

The truth, however, is quite different. Iran's extremely telling and decisive maneuvers vis-a-vis the United States have resulted in the emergence of an event in that country which has not yet acquired an overt aspect and people, except for a few far-sighted ones, are not yet aware of its serious consequences. This event is the sowing of dissention and differences among the American people, brought about during these past 2 or 3 weeks thanks to Iran's judicious course and the U.S. rulers' childish actions.

The paper, CHRISTIAN SCIENCE MONITOR, which has somewhat lifted the veil to reveal this truth, has not been quite able to expose all its dimensions. However, it is worthwhile for us to know that the American nation is tired now of all these propaganda ploys and inanities engaged in by its rulers and that a vast group of American people have openly risen in opposition to these ludicrous dramas staged by the White House. In this connection the 29 December CHRISTIAN SCIENCE MONITOR writes: What has greatly intensified the wrath of the American people is the subject of U.S. world prestige and credibility, and although it appears that the only way to cure this lack of prestige is resorting to military action, under these circumstances if anyone, even the U.S. president, wished to resort to military action in order to release the hostages he would never enjoy public support. A number of American people believe that this country's leaders should have given greater support to the shah in order to forestall these events while another vast group have come to believe that the United States should not [as heard] have displayed sensitivity with regard to the Iranian people's demands and it would have been better, right from the very start, to have given up backing the shah and to have handed him back in order to prevent things from coming to such a pass.

It follows that the first and most important outcome of publishing Iran's letter of reply to the United States is this very dissension among the American nation, a fact which itself constitutes a fatal body blow to this nefarious superpower. It is precisely here that we realize the reason why the United States and all its worshipers in the world, after pursuing Iran's letter of reply, have resorted to such a hue and cry and are showering the Iranian nation left, right and center, with all their picturesque insults.

The expiring U.S. economy, coupled with inflation, unemployment, high cost of living, recession, exposure and defeat in Iran, terror of an energy shortage and thousands of other incurable ills were not enough for the United States. The American nation is now also beset with dissension and it will not be long before we witness--exactly as happened during the Vietnam war--an uprising by the American nation against its ruling circles and another scandal on a world scale for these pillaging world devourers.

In conclusion, in order to acquaint ourselves with another ludicrous U.S. propaganda drama aimed at convincing others of its spurious calling to task of the Iranians, we pay attention to a dispatch carried by the U.S. AP which on 27 December said the following: A U.S. citizen, called Jack (?Wrathall), who became despondent because of Iran's refusal to release the hostages, in order to open an account to pay ransom to the Iranians, sent a $5 check to the Bank of Algeria, saying that he did not expect the help sent by others to that account would ever amount to the $24-billion ransom demanded by the Iranians, but he hoped that the check which he sent to the Bank of Algeria as U.S. ransom to the Iranian kidnappers would demonstrate to the world that kidnapping was a criminal deed.

In order to have a better understanding of U.S. society it would not be a bad thing for us to pay attention to the following report which was transmitted by up on 30 December: The authorities in the city of Lincoln, Iowa [as heard], removed the 24 flags which had been fluttering at the city square in honor of the U.S. hostages. This was because the city authorities were fed up with the continued theft of these flags, each priced at $45. However, because of the citizens' reaction to the lowering of these flags commemorating the hostages the same authorities were forced once again to hoist the 24 flags and this took place at a time when, according to these authorities themselves, no one could prevent the filching of these flags.

TEHRAN ON U.S. ATTITUDE TOWARD HOSTAGE ISSUE

LD091412 Tehran Domestic Service in Persian 1135 GMT 9 Jan 81

[Unattributed commentary]

[Excerpts] Last week at the same time as Iran's recent victory [against Iraq], U.S. imperialist propaganda and that of its Western allies against the Islamic Republic of Iran continued, and while the Western mass media mainly carried reports about this victory without comment, they continued to emphasize the issue of the U.S. hostages. Most of the foreign radios' news transmissions included commentaries about the U.S. hostages. In Iran, however, the issue of the hostages entered a new phase thanks to the meeting between Prime Minister Raja'i and the imam of the Islamic Republic, in view of Raja'i's remarks after that meeting. Iran once again demonstrated that it demanded full satisfaction of its rights if the United States is to secure the release of the hostages.

In reports which reached us over the weekend, however, it became apparent that at this juncture--that is, during the complete transfer of power from Carter's administration to that of Ronald Reagan--U.S. leaders are so willing to postpone the issue of the hostages that despite Iran's attitude Carter, during his meeting with a group of U.S. citizens, expressed despondence regarding the release of the hostages by the end of his term of office. Political observers reached the conclusion that by leaving this issue for Mr Reagan, Carter wished to leave the hands of the new U.S. president as free as possible in order to carry out his future political-military manuevers with regard to Iran.

As for the other issue about the United States and the internal events involving the imperialist government of this superpower: On the eve of the transfer of power in that country all the U.S. mass media and those of its Western allies have strongly endeavored to blame Carter and his 4-year term of office for all the United States' problems, its economic, political and social complications and its foreign and domestic policies. This is precisely one of the well-known methods to which U.S. imperialism resorts when it finds itself weak and helpless. During the Watergate events, too, Nixon, the former U.S. president, was attacked and assailed in similar fashion. However, it goes without saying that the lack of imperialist military successes has become apparent not only to the U.S. leaders themselves but also to all the world peoples and their governments. The greatest damages have been inflicted on the United States by the world liberation movements and the economic complexities of the capialist system and there is no escape from it.

KHAMENE'I URGES VIGILANCE AGAINST ISLAM'S ENEMIES

LD091256 Tehran Domestic Service in Persian 1030 GMT 9 Jan 81

[Text] Once again, today the University of Tehran, this meeting place of God-seekers and true followers of Islam, welcomed a huge crowd of Muslim and revolutionary people of Tehran and the followers of the Koran in their orderly and solid ranks, who, while demonstrating their eternal unity and solidarity, took part in the glorious political, divine ceremony of Friday prayers. In today's Friday prayers at Tehran University Hojjat ol-Eslam Mohammad Taqi Falsafi made the first speech. Then Hojjat ol-Eslam val Moslemin Seyyed 'Ali Khamene'i, the Friday imam of Tehran, gave the prayer sermons. In a part of his sermons, he said:

[Begin recording] Oh Iranian nation, oh various strata: Do not imagine that with the victories that we have achieved, work and effort have come to an end. You should know that work has just begun. Do not give up your efforts. The enemy is trying to occupy us with insignificant demands, narrow sectarian demands, personal demands and to divert us from sublime and great goals.

It wishes to occupy us with a few trees and a small oasis in the midst of our journey so that we are prevented from reaching our ultimate goal. You should be aware that today is not a day when various strata of people, when different groups of people think of their own personal, group, sectarian and guild demands. You should endure the hardships; you should endure the pains.

Second, I humbly urge the officials, those who during the 2 years since the revolution have not distinguished between night and day, to turn to themselves and to see their own mistakes. "If we pleased, we could punish them for the sins." [Koran verse] It is possible that if our sins and our mistakes continue they will arouse God's anger and punishment. Oh various organizations of the country, oh administrative organizations, oh ye serving and committed officials of these organizations, do not get tired of your work. Look carefully at even your smallest mistakes. Don't overlook anything. Let this wheel go forward with speed.

I make my third request to all those who in any way create a disturbance in the administration of the Islamic Republic and in the work of the officials. Oh ye brothers and sisters, oh ye who under various names and under different slogans every day, create new difficulties in different parts of the country! You should know that those who are pulling the strings are those very people who before the victory of the revolution used to say that Islam could not guide the struggle and bring it to victory. [They said] we can; we are learned in the ways of struggle. When the revolution was victorious they wished to prove that Islam cannot administer its victorious society. They wish to bring a bad name upon Islam. They wish to discredit and weaken Islam. The issue is not an issue of philosophical systems and schools. We are not faced with philosophical schools. The issue is one of the political paths, the political paths dependent upon the East and the political paths dependent upon the West. You should know that political groups which who do not want the Islamic Republic are pulling the strings, either from abroad or through their agents inside the country. [end recording]

AYATOLLAH MONTAZERI DENIES CRITICIZING AIR FORCE

LD091234 Tehran Domestic Service in Persian 1030 GMT 9 Jan 81

[Excerpts] Thousands of God-seeking and martyrdom-loving people of Qom today--as in previous weeks--again emphasized their covenant with the bloodstained martyrs of Islam through their solid participation in the glorious and unifying Friday prayers at Hakim Nezami School.

Before today's prayer sermons during Qom's Friday prayers, Hojjat ol-Eslam Musavi Tabrizi, the representative of the brave and uprisen people of the heroic city of Tabriz in the Islamic Consultative Assembly, made a speech. Then the illustrious jurisconsult, His Eminence Ayatollah Montazeri, gave the prayer sermons. In a part of his speech, the illustrious jurisconsult, His Eminence Ayatollah Montazeri, urged the people to be pious and to allow divine principles, continuing his interpretation of the Sura of 'Alaq [96th sura of the Koran] which he had started in previous weeks.

Then, referring to the fact that a large number of officers, noncommissioned officers and military officials have contacted him to complain about the fact that the commanders do not allow them to advance or to express their opinions, His Eminence Ayatollah Montazeri said: Although military ranks should be properly maintained, it is still possible that a low-ranking officer might have constructive and important views. Therefore, it is necessary that the armed forces and the guards hold some meetings so that all can express their criticism and views.

Regarding the accusation of one of the foreign radios that he had attacked the air force, His Eminence Ayatollah Montazeri said: I have repeatedly said that the air force has, in fairness, had an effective role in the battles and victories and that this evil propaganda is mainly intended to create differences between the clergy and other revolutionary organizations.

In conclusion, His Eminennce Ayatollah Montazeri thanked various groups, Islamic societies and all other revolutionary organizations, which by letters and telegrams have expressed their support for the combative clergy, velayat-e faqih [supremacy of jurisconsult] and the leader of the revolution.

KHOMEYNI RECEIVES VARIOUS OFFICIALS 9-11 JAN

Meeting With Yazdi

LD091650 Tehran Domestic Service in Persian 1630 GMT 9 Jan 81

[Text] Dr Ebrahim Yazdi, the deputy for Tehran at the Islamic Consultative Assembly, was received by and conferred with Imam Khomeyni, leader of the revolution and founder of the Islamic Republic of Iran.

Martyrs Foundation Visitors

GF111230 Tehran International Service in Arabic 1300 GMT 10 Jan 81

[Text] The leader of the revolution and the founder of the Islamic Republic of Iran, Imam Khomeyni, today received officials of the Martyrs Foundation from all parts of the country. [passage indistinct]

Tehran Supervisor's Visit

GF111528 Tehran International Service in Arabic 1500 GMT 11 Jan 81

[Text] The leader of the revolution and founder of the Islamic Republic of Iran, Imam Khomeyni, today received Reza Zavvari, Interior Ministry assistant and supervisor of Tehran municipality. During the meeting Brother Zavvari reported on the future plans and policies of Tehran municipality as well as other related issues.

BANI-SADR CABLES LEADERS ON CONDUCT OF WAR

Cable to Pasandideh

LD101816 Tehran Domestic Service in Persian 1646 GMT 10 Jan 81

[10 January telegram from President Abolhasan Bani-Sadr to Ayatollah Pasandideh]

[Text] In his exalted name, Your Eminence Ayatollah Pasandideh [Khomeyni's elder brother]: Your heartwarming and supportive telegram was received with pleasure; it strengthened the determination of the armed forces to drive out the invader. Considering the various aspects of the situation in the country, the continuation of the war until victory is achieved requires the following conditions:

1. The war must not be turned into an arena for [political] conflicts. All must wholeheartedly support and believe in the armed forces so that they and their commanders--without being subject to pressure which might force them to take action without any consideration for military aspects and orders--can find ways of achieving victory through appropriate military tactics.

2. Under the present circumstances, time plays an important role. The time of each assault must be determined with a view to all domestic and foreign political aspects and possibilities.

3. Society must not be instilled with the idea of hasty action. The people of the country must recognize the fact that this war will determine the future of Iran, the region and the world and that if we wish to end it in victory we must be patient and tolerant.

Other conditions also ought to be brought about as well, however, the above three are the determining factors.

May you live a long life.

[Signed] Abolhasan Bani-Sadr

Cable to Montazeri

LD101810 Tehran Domestic Service in Persian 1644 GMT 10 Jan 81

[10 January telegram from President Abolhasan Bani-Sadr to Ayatollah Montazeri]

[Text] In His exalted name, Your Eminence Ayatollah Montazeri: I had the honor of receiving your telegram. I assure you that the Islamic Republic's armed forces are determined and steadfast in defending their Islamic homeland while enjoying all possible facilities and demonstrating unsurpassed devotion. The commanders who have demonstrated their loyalty to the republic in this war must prepare the ground for victory while enjoying peace of mind and public support. Once this objective is achieved, God willing, our forces' victory will be inevitable. May you continue to live a long life.

10 January 1981

[Signed] Abolhasan Bani-Sadr

IRANIAN DIPLOMATS MEET TO LOORWINTS POLICY

LD092004 Tehran in English to Europe 1930 GMT 9 Jan 81

[Text] The 6-day seminar of ambassadors and charge d'affaires of the Islamic Republic of Iran officially ended today in Tehran. Dr 'Ali Shams-Ardakani, the coordinator of the seminar, today answered the questions put to him by reporters. Dr Ardakani, regarding the achievements of the seminar, said: The seminar made the following decisions:

1. How to hold the anniversary of the victory of the Islamic Revolution of Iran in Iranian embassies abroad; February 11th is the anniversary of the victory of the revolution;

2. To coordinate and determine the goals and details of the foreign policy of the Islamic Republic of Iran; and

3. To coordinate the activities of the Iranian embassies and consultates and other governmental organizations with the activities of the Muslim associations in foreign countries and holding talks with the governments and the prime minister [as heard].

ACTING FOREIGN MINISTER: NO RECOGNITION OF DRA

NC121030 Paris AFP in English 1123 GMT 12 Jan 81

[Text] Tehran, 12 Jan (AFP)--Iran has not recognized Babrak Karmal's regime in Kabul and will conduct no dialogue with his government, acting Foreign Minister (Karim Khodapanahi) told Tehran TIMES.

In an interview published today, Mr (Khodapanahi) dismissed any acceptance of an Afghan offer of talks with Iran and its other neighbour, Pakistan. Mr (Khodapanahi) also told the Tehran TIMES that Iran could reverse its decisions not to attend the coming third Islamic conference summit in Saudi Arabia if Iraqi President Saddam Husayn decided to stay away.

SHAH-ERA OFFICIALS SENTENCED TO LIFE PRISON TERMS

NC111751 Paris AFP in English 1732 GMT 11 Jan 81

[Text] Tehran, 11 Jan (AFP)--A former Finance Ministry official is being tried here on charges of spying for the CIA, while one of the leaders of the 1953 U.S.-backed coup that returned the shah to power has been sentenced to life imprisonment, it was reported here today.

Hamid Jarayedi, deputy director of the Finance Ministry under former Premier Mehdi Bazargan, went on trial yesterday on accusations that he has spied for the U.S. Central Intelligence Agency since 1976 in return for 500 to 1,000 dollars per month, the Iranian press said today.

Mr Jarayedi was arrested in June, 1980, following "revelations" by the Islamic students who occupied the U.S. Embassy here in November, 1979, the paper said.

Press reports also said that General Nadir Batmanqilitch, one of the leaders in the U.S.-supported coup that overturned former Premier Mohammed Mosadeq, was given a life sentence by the Islamic Revolutionary Court here. No details were given on his arrest or trial. Gen Batmanqilitch was named chief of staff of the imperial army after the coup.

Meanwhile, lawyers and law professors have demanded a response to earlier inquiries of alleged torture of Iranian prisoners. In a letter published by the MIZAN newspaper today, the lawyers' group asked judicial authorities to reply to an initial letter signed by 94 lawyers and professors 31 December complaining that "torture of political prisoners and even common law prisoners in the prisons had once again become an incontestable reality in Iran." The jurists demanded that a prison inquiry commission that began work 17 December on orders of Ayatollah Ruhollah Khomeyni disclose the "hundreds of complaints and documents" and the "results of prison visits." They also called for televised talks with torture victims.

IRP LEADER: IRAN READY TO BUY EUROPEAN ARMS

NC111758 Paris AFP in English 1749 GMT 11 Jan 81

[Text] Tehran, 11 Jan (AFP)--Iran is ready to consider buying arms from Europe and must have weapons "capable of responding to blows from the U.S.," a leader of the governing Islamic Republic Party told AGENCE FRANCE-PRESSE today.

In an interview, Jalaleddine Farsi said that is necessary Iran would try to buy arms from any country possible. He denied as inventions of "liberals and reactionaries" reports that Iran would lean toward buying weapons from the Soviet Union. Mr Farsi, considered one of the leading theoreticians of the party which has a majority in the Iranian parliament, said that Tehran must be ready to protect the country's sovereignty while guarding against arms sales contracts that limit the weapons' use.

Iran is capable of producing a sufficient "number of arms to be able to destroy American and Western warships and oil-tanker fleets," he said. But if necessary, Tehran is ready to renounce one of its principles and look to European countries for further arms, Mr Farsi said. Iran would also obtain arms from allied Moslem nations, he said. "In this case, the American fleet would be forced to back up 100 to 200 miles from present positions," Mr Farsi said.

IMPERIAL BANKNOTES WITHDRAWN FROM CIRCULATION

LD101356 Tehran Domestic Service in Persian 1030 GMT 10 Jan 81

[Central Bank of Iran statement]

[Text] In His exalted name. The Central Bank of Iran hereby informs the dear compatriots--just as it has reminded them in previous statements--that as of Tuesday 20 January 1981 the 200 rial banknotes of the former regime will no longer be legal tender: Only those 200 rial banknotes which bear the picture of the mausoleum of the holy Rida--may peace be upon him--will be legal tender; and all the 200 rial banknotes bearing the pictures of the overthrown shah, whether these pictures be crossed out or not, will lack the value of the money in circulation in the country.

Thus it is essential that our dear compatriots go to the banks as soon as possible to change the 200 rial banknotes of the former regime. Our brothers and sisters should pay heed that as of Tuesday, 20 January 1981, the former regime's 200 rial banknotes will have no value whatsoever and will not be legal tender.

ROULEAU ON IRANIAN FOREIGN POLICY, MILITARY OUTLOOK

LD091201 Paris LE MONDE in French 9 Jan 81 p 6

[Part IV of Eric Rouleau dispatch: "Iran: The 'Consecrated' War. IV--The 'Impossible Defeat'"]

[Text] Tehran--Negotiation, compromise, cease-fire, mediation--these are words which any diplomat worthy of the name should not utter in the presence of Iranian leaders unless he publicly states that, in the Gulf war, not only is Iraq the aggressor, but also that President Saddam Husayn is an infidel, a fascist and a criminal who deserves to be hanged, all at the same time.

All the people who, regarding themselves as the Islamic Republic's friends, hurried to Tehran to offer their good offices were firmly shown the door. The Iranian leaders, unanimous for once, were positively outraged by this behavior. How, they told their interlocutors, can anybody be both a friend anda mediator; in other words holding a neutral stance between the attacked and the attacker, between the victim and the persecutor? Thus Algerian President Chadli Bendjedid, Pakistan's General Ziaul Haq, Islamic Conference Secretary General Habib Chatti and Yasir 'Arafat, among others, were able to assess the severity of the new Islamic diplomacy.

The Iranians' leaders do not believe in the value of secret diplomacy either. In keeping with their principle that "the people must be told the whole truth," they usually unilaterally issue an account, having various degrees of accuracy, of their talks with foreign interlocutors. For instance, it was learned that Mr 'Arafat was given a rough ride before being told that, because of its "ambiguous" positions, the PLO had been "discredited in the eyes of oppressed peoples." Many diplomats no longer dare to open any dialogue. Indeed, some of them, like the Soviet ambassador, have had the unpleasant surprise of hearing the radio broadcast a version, frequently "imaginary" according to them, of the confidential conversation which they had just had with a particular official. In the hostage affair long preliminary negotiations were necessary to persuade Prime Minister Mohammad Raja'i not to divulge the exchanges between Tehran and Washington the very same day....

The relations which Tehran has with foreign capitals are characterized by extreme nationalism, of which Islam is the most eloquent expression, and which was probably engendered by centuries of colonial domination whether open or veiled, subtle or brutal. More than in most Third World countries, the distrust of the superpowers--the key word which the leaders use repeatedly in connection with everything--borders on obsession.

The United States and the USSR represent absolute evil on a world scale. The United States is, of course, the "big Satan" against which Iran is fighting "in the present phase," to quote Mr Raja'i, but Russia's turn will come, they promise. Meanwhile, the government chief explained in his investiture speech on 2 September, there is no question of pursuing a policy of balance, of exploiting the contradicitions between the two superpowers, of leaning on one to confront the other. Hence the categorical refusal, pronounced at the beginning of the Gulf war, to accept any military aid from Moscow which, morevoer, denies having made such an offer.

Splendid Isolation

However a major distinction is drawn between the "big Satan" and the lesser one: Iran regards itself as at war with the United States. The latter is accused of instigating the Iraqi invasion, of being the accomplice of the Baghdad regime which has assumed the task of overthrowing the Khomeyni regime, an objective which Washington had not attained by other means. All President Carter's soothing statements in mid-October--he condemned Iraq's "aggression," advocated the withdrawal of Iraqi troops, and defended the Islamic Republic's unity and territorial integrity--were met with disdainful silence. Whatever the U.S. role in the Gulf war, Hojjat ol-Eslam Mohammad Montazeri, one of the Muslim movement's radical-wing representatives, told us, the Iranians are determined to pursue the struggle to break off all the ties established with U.S. imperialism by the former regime in the "economic, social, cultural and psychological" spheres.

The evil forces' geographical domain stretches far beyond the USSR and the United States and covers most of the world: Europe, Japan, "satellites of U.S. imperialism," as well as most of the Muslim states; the Third World countries who claim to be nonaligned but who, in practice, are under Moscow's and Washington's influence, the United Nations is, therefore, merely "a docile tool in the superpowers' hands." Even Arab nationalism is suspect in that it is based on an ideology which divides the Islamic nation mostly to imperialism's benefit.

Four exceptions have, however, been made to this rule since the Gulf war started: Libya, Syria, Algeria and North Korea, described as "friends" despite the reservations toward them. Their merit is that they offer the Islamic Republic many types of aid, essentially light weapons.

Compared with Iraq which follows a multidirectional diplomacy, not cutting itself off from any state, including the USSR, even though the latter has refused to supply it with arms since the beginning of the Gulf war, Iran seems to be locked in splendid isolation. Both the "liberals" and the communists (supported in this by the feda'yan and the Mojahedin-e Khalq) have launched a warning, all pointing out that, to survive, the Islamic Republic needs friendly powers capable of supplying it with sophisticated weapons for its defense and advanced technology for its development. The liberals notably cite Europe and Japan, and possibly have the United States in mind for a later stage. The communists constantly assert that the USSR is the Islamic Republic's "natural ally" and that close cooperation with the socialist camp does not necessarily run counter to the country's independence which is based on the slogan "neither East nor West." Hojjat ol-Eslam Mohammad Montazeri, like other members of the militant clergy, thinks, however, that "the days of revolutionary arrogance must end," without specifying what type of alliances he envisages.

In reply to all these criticisms which are widely echoed by the press, the prime minister retorts: "The Islamic Republic is not isolated; the peoples support us and that is the main thing." Imam Khomeyni has no hesitation in saying quite clearly that solitude is a blessing.

The balance of forces seems to be clearly in Iraq's favor. Before launching the hostilities, Baghdad had built up considerable stocks of Soviet-made heavy weapons and spare parts and since then has continued to receive sophisticated equipment from Britain, the FRG, Italy and, above all, France, either directly or through Saudi Arabia. The latter, in association with other Gulf countries, has given the Ba'thist government $3 billion in credit, although Iraq already has currency reserves of some $35 billion, aside from oil revenue. Indeed since the beginning of December when the pumping stations were switched on again, almost 1 million barrels per day have been sent out through Syria and Turkey, in other words 10 times more than the volume of Iranian exports.

The Islamic Republic does not stand up well to comparison. It is, of course, "self-sufficient" in refined products but, to achieve that, it has been forced to reduce its consumption by half, dropping from 1 million to 0.5 million barrels per day, and it probably lacks the kerosene necessary to keep its fighter planes in the air. Since its revenue in foreign currencies is negligible, it has begun to draw on its reserves, barely $6 billion (around one-sixth of what Iraq has), while waiting for the United States to return its assets which were frozen in November 1979. This shows how limited its means are for obtaining military equipment and essential products which are considerably more expensive owing to the U.S.-European embargo.

Despite everything opinion in Iran is virtually unanimous in the view that "defeat is impossible, inconceivable." The Iraqi Army, the Iranians point out, cannot win in a partisans' war, and cannot occupy any territory captured for long. If you argue that prolonged resistance by the Iranian people, even with the backing of their unswerving patriotism, will not necessarily result in the expulsion of the invaders, the reply you receive is that the trial of strength is not essentially military. Tehran intends to wage a long war of attrition to prompt the overthrow of the Baghdad "fascist regime" from inside the country. Iraq readily accepts the challenge but with the opposite objective--that of bringing about first the stifling and then the fall of the "Persian racists" in Tehran.

DOMESTIC POWER STRUGGLE BREWING IN TEHRAN

LD091449 London ASH-SHARQ AL-AWSAT in Arabic 8 Jan 81 p 8

[Hasan Luqays report: "Difficult Days and Radical Changes in Iran Shortly; Clash Inevitable Between Bani-Sadr and Clergy But Timing Dependent on War and Hostages"]

[Excerpts] Tehran--It appears that the principal aim of the Islamic Republican Party's onslaught on President Bani-Sadr is to isolate him from the rest of the political parties and forces in the Iranian arena preparatory to weakening him and ousting him.

Some political and diplomatic sources have given different interpretations to Imam Khomeyni's 17 December appeal for an end to the strikes and demonstrations which the clergymen and the Islamic Republican Party called for in response to Esfahan incidents during which Imam Khomeyni's and Imam Montazeri's pictures were reportedly torn. According to one interpretation, the appeal was only a tactical retreat by the clergy because of mounting popular support for the policy and behavior of the president of the Republic.

The Islamic Republican Party and certain moderate political quarters expect the committee for the preservation of the constitution, which consists of six lawyers and six clergymen and whose task is to look into the "Islamism" of laws passed by the Majlis, to define the powers of the president of the republic in the very near future.

One source close to Bani-Sadr told ASH-SHARQ AL-AWSAT that the power struggle cannot continue and a solution for it must be found as soon as possible. Asked what interpretation presidential circles give to Khomeyni's appeal, the source said it was as follows: 1) A fear that the mass demonstrations might lead to violent clashes between supporters of the president and supporters of the clergy and the Islamic Republican Party; and 2) A desire to prevent the distribution of leaflets and statements against the president, particularly since popular support for him has reached a peak and the country today greatly needs manifestations of national unity. But presidential circles still believe that the Islamic Republican Party will continue its campaign against Bani-Sadr despite the tactical retreat imposed on it a few days ago.

Beheshti Talks

Is it true that the internal differences in Iran are superficial differences or differences over posts, or are they much more deep-rooted than this? Dr Mohammad Ayatollah Beheshti, Iran's strongman and leader of the Islamic Republican Party. told ASH-SHARQ AL-AWSAT that "the present differences between the president of the republic and the prime minister have deep roots relating to the imam's political line and the true revolutionary concept of the Islamic revolution."

One of the most prominent members of the Executive Committee of the Islamic Republican Party told ASH-SHARQ AL-AWSAT, when asked about the internal differences and how his party viewed the future and the outcome of these differences: "The present stage is the stage of liquidating those who are not genuine revolutionaries and who, although they have participated in the revolution, are still on the fringes of its fundamental thought. Two years after the revolution and its success the genuine Islamic revolutionaries alone must take control of things in the Islamic Republic." Continuing, the source said: "We (that is, the Islamic Republican Party, which considers itself to represent the imam's line) today control the three branches: the legislative (the Majlis), the executive (the prime ministership), and the judiciary (Beheshti is president of the high court). As for the presidency, Bani-Sadr cannot go over the heads of these three authorities and impose his liberal policy, most of which is derived from his Western thinking and culture. But the war with Iraq has postponed the confrontation."

Asked by ASH-SHARQ AL-AWSAT how in his opinion this confrontation will take place, the prominent member of the Executive Committee of the Islamic Republican Party said: "It is true that Bani-Sadr obtained 11 million votes in the presidential election. We know that the imam respects the people's will and will not take a decision against that will. But when the people withdraw their confidence from Bani-Sadr the imam will again respect the people's will and ask him to give up his post." Asked how the imam will know that the people have withdrawn their confidence from Bani-Sadr, he said: "There are many ways and methods, including the media, strikes, and demonstrations,"

A New President

Will the conflict be merely between Bani-Sadr and the clergymen or will there appear on the political scene a third force through which the imam will try to find a solution for these disputes which, according him, are causing "serious internal difficulties?" Political circles in Iran have begun to talk about a new current that could provide a compromise solution. This current comprises a group of politicians who are coordinating with Ahmad and Hoseyn Khomeyni and who put forward the name of Dr Habibollah Peyman for president of the republic.

IRAQI REBELS ATTACK BA'THISTS; UNREST IN IRAQ

GF111627 Ahvaz Domestic Service in Arabic 1530 GMT 11 Jan 81

[Text] The PARS correspondent in Beirut reports that a group of Muslim Iraqi mujahidin attacked a Ba'thist Party meeting in Al-Kazimiyah [Iraq] early this month. The attack resulted in the killing of five persons. The mujahidin returned to base safely.

The report adds: The movements of the Ba'thists were subject to strict observation by Iraqi police because of the opposition of some of them to the aggressive war imposed on the Islamic Republic by the ruling At-Tikriti clique in Baghdad and the involvement of some of them in operations against the Iraqi infidel regime.

The report states that public turmoil and the escalation of public unrest in Iraqi cities, especially Al-Basrah, Al-'Amarah, An-Najaf, Karbala', Ath-Thawrah district, Baghdad and Al-Kazimiyah, have become widespread and tangible. Anger and consternation are spreading among the mercenaries and agents of the Saddam regime in police departments.

FOREIGN MUSLIM GROUPS EXPRESS SUPPORT FOR TEHRAN

Celebrations in Kuwait

GF101345 Tehran International Service in Arabic 1300 GMT 10 Jan 81

[Text] The Central News Agency reports that a wave of joy and happiness [words indistinct] and Muslim Iranians in Kuwait on hearing the news of the Islamic army's victory over the forces of the agent Saddam.

A large number of Muslim brothers in Kuwait have expressed their gratitude to the Muslim fighters in Iran and declared their readiness once again to fight on the side of justice against the mercenaries of the agent Saddam.

The report adds that teachers and pupils at Iranian schools in Kuwait have held celebrations on the occasion of the magnificent victories of the soldiers of Islam and expressed the hope for further victories.

Pakistani Religious Support

GF091755 Zahedan International Service in Urdu 1530 GMT 9 Jan 81

[Excerpts] The following letter is dated 28 November 1980 and is from Sangarii, Sind, Pakistan. The name of the sender is not clear. The letter reads: Pir Sahib of Pagaro, [an important religious and political leader in Sind, Pakistan] addressing a large gathering here expressed full support for Iran and lauded the Iranian people's valor. He said: We are prepared to make sacrifices for Iran and are awaiting orders from the Islamic Government of Iran.

This brother writes that Pir Pagaro addressed about 250,000 of his spiritual followers who had come to visit him. We are happy to receive your letter, we know that letters are censored there. The support of Pir Pagaro is a good omen for us. It reflects his wisdom and acumen. Pir Pagaro has sided with right and has rejected wrong. His address is in fact a slap in the face of those who advise their people to be neutral but secretly strengthen the hands of Iraq.

UAE Arabs' Donations

GF091338 Tehran International Service in Arabic 1300 GMT 9 Jan 81

[Text] The radio and television Central News Bureau reports that a group of Muslim Arab brothers in Umm al-Qaywayn in the UAE have contributed the sum of 15,000 UAE dirhams to the Islamic forces, and have declared their readiness to fight alongside the heroes of the Islamic front against the agent Saddam.

IRAN LISTS CONDITIONS FOR ATTENDING ISLAMIC SUMMIT

GF111835 Zahedan International Service in Urdu 1530 GMT 10 Jan 81

[Unattributed commentary]

[Text] The third conference of Islamic heads of state will begin 25 January in the holy city of Mecca. Saudi officials are trying their best to make the conference a success. They have dispatched representatives to Islamic countries to gain their consent to attend.

The conference is being convened at a time when differences and divisions among the Islamic countries have reached their apex. The world of Islam is facing grave problems. The usurping Israelis continue to occupy Jerusalem and daily attack occupied Palestine and southern Lebanon. The Iraqi Ba'thist government, on the orders of its master the United States and at the behest of regional reactionary forces, is continuing its aggression against the Islamic Republic of Iran, massacring innocent people. The occupation of Afghanistan has forced Afghans to take refuge in other countries.

The growing differences and grouping among the Arab states have brought them face to face with most regrettable circumstances. The recent so-called Arab conference intensified these differences. The Saudi officials who are sponsoring the conference have announced that experts in Kuwait have prepared a draft on human rights, within the framework of the Islamic viewpoint, to be deliberated by the conference. It has also been announced that the latest changes that have taken place in the Arab world will also be considered in the session of the Jerusalem committee that will be held in Rabat under the chairmanship of shah Hassan II of Morocco. A report on the issues of Palestine and Jerusalem prepared by this commission will be presented at the conference.

Meanwhile, the prime minister of Kuwait has announced that his country has prepared a plan for cooperation among Persian Gulf Arab states in oil, economic and military affairs. The leaders of these countries are agreed on this plan. The heads of these states will probably exchange views on this plan in the conference of heads of Islamic states to be held in the holy city of Mecca and will adopt a common strategy.

Saudi Arabia hopes that all heads of Islamic states, except Afghanistan and Egypt, will attend. The sum of 2 billion Saudi riyals has been allocated to guarantee the success of the conference; it will be spent on implementing the conference recommendations. [passage indistinct] Previous conferences have adopted similar resolutions. They stress that Israel must withdraw from Arab lands and Jerusalem must be returned to Arabs. The PLO should be recognized as the sole representative of the Palestinians. The resolutions also stress Muslim unity.

No action was ever taken on these resolutions. Heads of Islamic states have been holding meetings and demanding Israeli withdrawal from occupied Arab land, but Israel not only continues to usurp these lands but is also increasing the scope of its aggression against the Arabs. It is attacking the Palestinian guerrilla bases and southern Lebanon. [passage indistinct] These resolutions call for greater unity among Islamic countries, but the reactionary Arab countries have formed a front against the progressive and revolutionary countries of the region.

What is the aim behind convening the Islamic conference and what difficulties is it going to solve for the Islamic countries? According to Saudi officials, the aim of the conference is to assess the problems of the Islamic countris and foster unity among Islamic nations, but they are aware that the Islamic conference will fail to fulfill the aim they mention. King Khalid of Saudi Arabia himself said in an interveiw with a Kuwaiti journalist that the Islamic conference should not be expected to implement all the decisions it makes.

According to some commentators, if we want to know the facts we should keep in mind that the recent Arab summit conference in Amman, which was boycotted by the countries opposed to the Camp David pact like Syria, Algeria, Libya and southern Yemen, met with utter failure. The Saudi leaders, in order to compensate for the failure, decided to exploit this conference by including the countries opposed to Camp David.

Some commentators believe that the Saudi leaders, at the behest of their American masters, want to include the countries of the region in some new American pact. They started preparing ground for this pact many months ago. A few months ago the Saudi interior minister visited Kuwait and proposed a pact among the Arab countries of the Persian Gulf against foreign aggression. This proposal was welcomed by these countries. The proposed defense pact was about to materialize at the Arab summit conference, but the boycott by the countries opposed to the Camp David pact foiled the Saudi Plan.

Saudi Arabia continued its efforts after the failure of this plan and imposed the task on Kuwait. A few days ago the Kuwaiti Prime Minister Sa'd al-Abdallah as-Salim as Sabah announced that a framework of cooperation in economic, military and oil affairs among the Arqb countries of the Persian Gulf had been prepared. He said copies of the draft had been presented to Saudi Arabia, the UAE, Qatar, Oman and Bahrain and the governments of these countries had agreed to this plan. According to radio Oman, Saudi Arabia, the UAE, Oman, Qatar and Bahrain will hold sessions during the Islamic conference in Mecca to work out a common strategy against foreign dangers.

The other probable intention of the heads of reactionary Arab countries may be to include Iran in this conference under the slogan of Islamic unity and to discuss the war imposed on Iran by Iraq in the presence of responsible officials of both countries and force Iran to accept a cease-fire. This is what Iraq has wanted from the beginning of the war.

Iran has not yet made it clear whether it will attend the conference or not, but before it makes a decision it will keep in mind the abovementioned facts and try to harmonize its stand with that of other progressive Islamic countries. It will attend the conference if guaranteed that the conference will be free of big power interference. Iran would also like to be assured that the U.S. conspiracies against the Islamic Republic of Iran and the blatant invasion of Afghanistan will be strongly condemned in the conference resolution.

Iran would like to be assured that the conference will not be pretext to impose a cease-fire on Iran at a time when foreign troops are on its soil. Iran would also like to know that the conference will take effective steps toward the liberation of Jerusalem and the restoration of the rights of the Palestinians and not confine itself to mere talk. The conference should not consider issues detrimental to Muslim nations and not allow the birth of another Camp David and preparation of ground for big powers conspiracies against Islam.

Iran would also like a guarantee that it will be allowed to inform the nations about the facts of the Islamic revolution so that Iran can play a constructive role in liberating the Islamic world of cultural, economic and political domination by the big powers. There are other conditions which will be announced at the appropriate time.

LATE REPORT: RAJA'I ON GULF WAR, HOSTAGES ISSUE

JN121328 Tehran International Service in Arabic 1124 GMT 12 Jan 81

[Interview given by Iranian Prime Minister Mohammad 'Ali Raja'i to Tehran Radio correspondent in Persian, with superimposed Arabic translation, recorded--date not given]

[Text] [Question] Our first question is about the current war. Has the war entered a decisive phase with the counterattack by the forces of the Islamic Republic of Iran, and how long will it last, in your opinion?

[Answer] In this war, which, as everyone in the world knows, has been imposed on us, our brothers have shown unparalleled bravery and toughness on the battlefronts. They have fought as a true revolutionary army and guard corps in defense of the Islamic Republic of Iran.

We have achieved splendid victories recently, during which our brothers, depending on their faith and arms, retrieved the biggest part of the territory usurped by Saddam. As to how long the war will last, we hope that we will very soon bury Saddam and the misguided mercenaries, especially in the southern sector. I cannot assess how long the war will last.

[Question] Is the Government of the Islamic Republic of Iran sufficiently prepared for the war if it continues?

[Answer] Yes. Our government relies on the people and the people are ready to sacrifice anything, even their lives, to insure the victory of the Islamic revolution. They are watering the tree of the revolution with their own blood. Therefore, we have the greatest support: that of the people. We will continue the war until the final victory of Islam over the leader of unbelief--Saddam.

[Question] Brother Prime Minister, what are the government's major projects and what fields take priority in your program?

[Answer] Our government programs are divided into two categories. We prefer to call the first, the material category. This calls for paying attention to the country's agriculture and industry. Our agriculture suffers from the mistakes of the defunct regime's program, whose priorities were not at all in our people's interest. Under that program, we depended on foreign countries, even in basic commodities. We are now in the process of insuring these commodities locally, inasmuch as our country's climate and soil allow. These are foodstuffs and raw materials for the industry.

We also have a program to develop the countryside, which is another priority. We hope to develop and reconstruct the countryside as quickly as possible, so that by the end of this year about 8,000 rural areas will be electrified. We have already distributed arable lands to the country farmers, to cultivate them.

The second part of the government program is what we prefer to call the moral category. As everyone knows, we are trying for the first time to make the constitution govern society's life. We are doing our best to apply one constitutional provision everyday. We want to serve the people and to inform them of their responsibilities. We hope, God willing, to apply the entire constitution as the basis of our republic and the basis of the people's words, thoughts and actions.

We are also determined to apply our revolutionary slogans. Our foreign policy must reflect these slogans, which have been voiced by our revolutionaries and which form the basis of our Islamic Republic. By these slogans, I mean repudiating the imperialism of the the East and the domination of the West and replacing them with the Islamic state.

In domestic policy, we seek to be logical with both pro-government and opposition groups, parties and factions. Actually, in view of the fact that we have just freed ourselves from a prolonged period of suppression, we do not now feel that we have achieved social justice. The government is trying to achieve such justice. The masses, which for many years have been deprived of freedom of expression, are now sometimes abusing this freedom. The duty of the government is to guide them and to moderate their voice.

During the past 2 years, since the triumph of our revolution, we have built about 15,000 educational centers, including elementary, intermediary and secondary schools. This figure is unmatched in any other revolution in the world. We have also made achievements in the field of educational planning. We hope this will constitute our cultural revolution. In the area of universities, the revolution has undertaken its work through the committees. We hope that the committees will achieve immediate success, at least in the faculties needed by the country and which must be taught in the universities.

Regarding the other faculties, such as the humanities and others, we hope that they will be taught in such a way as to serve education and the citizens' needs. We will encourage the students of these faculties to seek higher diplomas and posts, rather than a merely sufficient level of education.

[Question] How far has the hostage issue gone?

[Answer] The hostage issue is making progress, according to the reports presented to me. We are trying to act logically on this issue and to maintain, as much as we can, our basic line toward U.S. imperialism. At any rate, we will not go back on our position so long as we consider the United States to be an aggressor against the world. Even if we suppose that the hostages will be returned to the United States within a short period, we will not abandon our basic position, which is fighting imperialism. This position stems from the core of our ideology. I expect that a part of this issue will also be referred to the Majlis soon.

[Question] There is something that we may call a diplomatic blockade on the Islamic Republic. What steps will you take in foreign policy to break this blockade and to achieve a wider move on the international level?

[Answer] As you know, the political blockade on the Islamic Republic of Iran was imposed in the wake of the overwhelming defeat of imperialism, particularly Western imperialism, the United States, in Iran. We believe that, unless imperialism can set foot [in Iran], it will not express a desire to lift the economic blockade. As you have seen, the (?well-known) advanced countries in the world have also pursued the U.S. steps in this field and expressed their devotion to it at a time when the United States is the aggressor against our country. These countries took part in besieging us. We believe that the United States will not abandon this blockade so long as we depend on our revolution, even if it has deceitfully declared that it has broken it. Since our reliance on our revolution stems from our life, this organic relationship with our revolution will continue as long as we live. We believe that we have to think of self-sufficiency. The best way to break the blockade is not to need the countries which claim they are advanced. We are proceeding along this road and we hope to achieve success as soon as possible.

[Question] Can you explain Iran's conditions for participating in the forthcoming Islamic conference?

[Answer] As you know, the imam said that if Saddam participates, we will not participate. Our Muslim brothers throughout the world are aware that Saddam is an aggressive element and a mercenary agent for imperialism in the East and West, namely for the United States and the Soviet Union. The aid which is being given to him is a clear proof of Saddam's continuous relationship with the Soviets and the United States. Therefore, we will not participate in any meeting which will be attended by this element, in our capacity as a Muslim and revolutionary country. If the conference expresses its readiness not to allow Saddam in the meeting, I believe that the Islamic countries will list Iraq's aggression against Iran on their agenda. I hope that the conference will reach this level of nobility. If it does not, we, in our capacity as a Muslim and revolutionary country, will not insist on presenting all our sublime revolutionary values at this meeting. Because we believe that the future is allied to the real Muslims.

[Question] Thank you very much, Brother Mohammad 'Ali Raja'i, prime minister of the Islamic Republic of Iran.